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Tongsun Park, in Seoul Testimony, Linked K.C.I.A. Tie to Private Gain

By NICHOLAS M. HORROCK

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WASHINGTON, Feb. 28.—Tongsun Park testified under oath in Seoul that his only reason for cultivating the friendship of three consecutive directors of the Korean Central Intelligence Agency was to fend off his business enemies and keep a lucrative rice agent's assignment, according to transcripts of his testimony.

Whether Mr. Park made payments to present and former members of Congress as a private businessman or as a secret agent of the Republic of South Korea is expected to be a key point of inquiry as the interrogation of the former rice dealer continues before the House ethics committee.

The committee, formally called the House Committee on Standards of Official Conduct, began questioning Mr. Park today in a closely guarded hearing room in the Sam Rayburn Building here, a few hundred feet from the offices of Congressmen he once called his friends.

The scope of the case will be much broader if House investigators are successful in establishing that Mr. Park was a secret agent of the Korean Government, and not merely a private businessman attempting to get favored treatment.

From the beginning of the inquiry, the possibility that foreign agents might have been able to manipulate American legislation, foreign policy or even war powers has caused deep concern in Congress. Recent campaign finance reform, for instance, forbids a member of Congress to accept campaign contributions from foreign individuals or governments.

In 17 days of interrogation by Department of Justice officials last month, Mr. Park steadfastly maintained that his actions were those of a private businessman. The transcripts of that questioning are part of more than 2,100 pages of material made available to the Senate and House ethics committees to conduct their inquiry.

A review of portions of the transcripts indicated that Mr. Park made these points:

He obtained and kept his rice agent's assignment with the aid of three directors of the K.C.I.A. He once asked one of them to place \$2 million to \$3 million in a bank as security for a loan, but denied knowing that the money might have come from Korean Government funds. He acknowledged that he had received orders from K.C.I.A. officials, including a document code-named "ice mountain," which was a list of Americans to attempt to influence.

He described in detail his relationship with former Representatives Otto E. Passman, Democrat of Louisiana; Richard T. Hanna, Democrat of California; Cornelius E. Gallagher, Democrat of New Jersey; William E. Minshall, Republican of Ohio, and Edwin W. Edwards, Democrat of Louisiana; and unraveled the secret codes and notations on payments from a ledger and diary seized by Government agents.

He ticked off campaign contributions to a longer list of political figures, ranging from the late Senator Hubert H. Humphrey, Democrat of Minnesota, to Representative John B. Breaux, Democrat of Louisiana, and described at length the political intrigue of the rice-exporting business.

In 1968, Mr. Park said, he met with Gen. Kim Young Wook, then chief of the K.C.I.A., and asked him to intercede on his behalf with the office of Supply of the Republic of Korea, or OSROK. "I could have told General Kim, 'If you know somebody at OSROK, would you put in good words to them on my behalf?' That was the gist of the conversation."

Mr. Park said General Kim told him, "We're all from the same hometown—meaning country, meaning South Korea—and I've been always wanting to help your brother and I'll be delighted to do what I can."

Mr. Park confirmed that he next introduced Mr. Hanna to General Kim. Of Mr. Hanna, he said, "I don't think he came right out and said 'I want you to be helpful to Tongsun,' but he more or less left the impression that it would be nice, very nice, if you can help Tongsun."

He did obtain the rice agency with General Kim's help, Mr. Park testified, and he began payments to Mr. Hanna. A survey of the transcripts bear out earlier estimates that Mr. Park's payments to American representatives and senators totaled about three quarters of a million dollars between 1970 and 1975.

Despite the fact that Mr. Park has denied being an espionage agent of the K.C.I.A., he said he cultivated General Kim's successors. He said at one point that he was not a friend to K.C.I.A. chiefs, "but I merely wanted to have them understand that whatever they might hear from other people, the unfriendly remarks or outright material for-character assassination against me should be balanced by knowing my side of the story."

Wanted 'a Personal Favor'

At another point, Mr. Park said, he asked General Kim to put \$2 million to \$3 million in a foreign bank to act as collateral so that Mr. Park could get a loan. "I asked him to do me a personal favor," he said, but it "never materialized."

Mr. Park acknowledged that Kim Sang Kuen, another K.C.I.A. official, brought by hand a list of United States representatives and senators that was code-named "ice mountain" and included people the K.C.I.A. hoped to influence, but added that he did not carry out this objective.

He persistently called K.C.I.A. officials his "friends," but said they were not his employers.

At another point, Mr. Park acknowledged that Steven Ki, a K.C.I.A. station chief in Mexico, visited him in Washington and they met with members of Congress.

Despite the K.C.I.A. influence, Mr. Park acknowledged that he lost the rice account for part of 1971. It was at this time, he said, that Mr. Edwards introduced him to Mr. Passman in Hong Kong.

'Copies' Equalled \$1,000

Mr. Park testified that he made regular cash payments to Mr. Passman from 1972 until 1975. He said he sometimes noted these in a small Korean-made ledger book where the word "copies" equaled \$1,000. The Justice Department obtained the ledger and a diary that Mr. Park had kept.

He delivered most of the money to Mr. Passman in person, Mr. Park said, including handing it over to the Congressman.

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in Mr. Passman's office on Capitol Hill. Mr. Park said that Mr. Passman characterized the payments as contributions, but in his "own mind," Mr. Park said, "even though he's using grandiose terms like 'contributions,' I felt that he's asked for some compensation for what he did for me."

He said that Mr. Passman helped him arrange his rice deals and "he enhanced my position as a [rice] agent."

Mr. Park called all other payments, with the exception of a number to Mr. Hanna, "contributions," although he said he did not know whether the recipients construed them as such.

Close Friends With Hanna

He also said that he and Mr. Hanna were "business partners" as well as close friends from 1962 until 1975. "He was very much like my own brother," Mr. Park said at one point, referring to Mr. Hanna.

As a business partner, Mr. Park said, Mr. Hanna received money that "was a compensatory measure for time spent on our business venture."

Mr. Park testified that he also had business dealings with Mr. Gallagher.

Among the actions several Congressmen took on his behalf was the writing of letters to Korean officials to enhance his position. He said people wrote out of "conviction" for him because they already knew Korean officials or were grateful to the Korean Government, or because "I frankly went to friends and said 'for the sake of Korea or the United States, and also for the sake of our friendship, or to have control of a certain business situation, I want you to write letters.'

Mr. Park testified that the "principle source" of the money he dispensed was from rice sales commissions and that, in some instances, it was brought into the United States from the Bahamas and Switzerland.

An examination of his testimony indicated that there were relatively few instances of contributions that had not been publicized.

Payment to Humphrey in 1972

Mr. Park testified that his contributions ranged from a payment to Senator Humphrey, through an intermediary in 1972, to such lesser known Congressmen as Mr. Breaux, who took Mr. Edwards's seat after Mr. Edwards became Governor of Louisiana.

With the exception of the money levels given to Mr. Passman, Mr. Hanna, Mr. Minshall, Mr. Edwards and Mr. Gallagher, Mr. Park's contributions clustered under a \$2,500 total.

"I think I clearly established that the amount of money that I contribute to each official corresponds to the depth of our friendship," Mr. Park said at one point.

Not all of the contributions, he said, were made in cash. Many were in checks or, as in one case, the purchase price of tickets to a fund-raising dinner.

Mr. Park said he had kept a ledger because "I was being very generous with my friends, but then at one point, just out of curiosity, even for my own consumption, I wanted to know how much I had spent."

Several sources on Capitol Hill believe that Mr. Park's ledgers and records indicate that he was accounting for money that belonged to others, presumably the K.C.I.A.

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an agreement with the Korean Govern-

ment that prohibited Justice Department officials from pressuring him as to whether he was an agent for the South Korean Government.

But the House inquiry has no such boundaries. Representative Bruce F. Caputo, Republican of Westchester, who attended today's session, said the scope of the interrogation by Leon Jaworski, special counsel to the House ethics committee, was already far wider than what he heard as a Congressional observer to the Seoul interrogation.

"There is no limit on what we can ask him," Mr. Caputo said. He refused to discuss the content of today's hearing or the material received from the Government.